

National Association of Housing and Redevelopment Officials

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> Testimony of Neil J. Griffin Jr. Senior Vice President Housing Committee March 1, 2011

Good-afternoon my name is Neil Griffin and I am the Senior Vice President of Conn-NAHRO and the Executive Director of the Glastonbury Housing Authority. Conn-NAHRO represents over 112 Connecticut housing authorities and other non-profit and community development member agencies. Member agencies have the responsibility of effectively managing or administering housing for 150,000 families/individuals and over 62,000 housing units in Connecticut.

Speaking on behalf of Conn-NAHRO's Executive Board and member agencies I would like to express support for HB 6462, HB 6464 and SB 734. I also would like to express our opposition to HB 6052, SB1076 and SB 467 and to provide comment on SB 1075.

HB 6462

Conn-NAHRO would welcome the study HB 6462 proposes. We support the study of the current housing programs and their ability to meet the housing policies there were created for. We believe this is a great opportunity to study the cost benefit of existing programs and identify programs that are not currently receiving adequate funding. The data developed could lead to suggested improvements to enhance existing programs. Overall this data will help in developing and improving the State's long term housing policy.

HB 6464

Conn-NARHO supports HB 6464. It is important for both the municipality and the landlord to have the statutory ability to recover their costs for removing and storing evicted tenants personal belongings. Our members' general observations are that most evicted tenants do not leave many if any items of value behind. Therefore we do not hold out much hope for recovering any of our costs incurred by this process; it is important to provide the legal ability to do so if such opportunity were to occur.

SB 734

Conn-NAHRO supports SB 734. It has been brought to our attention that during these difficult times that some individuals have taken advantage of abandoned or foreclosed properties and purported to be the landlord of the property. In doing so, these landlord impersonators have defrauded unsuspecting renters of deposits or initial rent payments leaving the renter out the money and without housing. Therefore we support the SB 734's proposed changes.

SB 467

While Conn-NAHRO's members support providing residents a detailed itemized list of charges offset against a security deposit we have some concern over the additional language SB 467 adds to this statutory requirement. We believe the itemized invoice already adequate provides explanation of why the money was withheld from the security deposit so we do not fully

understand the reason for the additional language found on lines 28 and 29 of the proposed bill. We believe if a landlord withheld an amount from a security deposit with justification and did not just maliciously falsify the data that treble damages is too extreme of a penalty if a judge disagrees with the landlord. Conn-NAHRO would recommend changing the language to reflect a willful or malicious intent to withhold money from a security deposit under false pretense could result in treble damages. Finally we question the need to add the burden of proof language found on lines 63 and 64 of the proposed bill if as a matter of practice the courts already require landlords to have the documentation showing an amount due to the landlord to be able to offset the security deposit.

In addition we would seek SB 467 amend the interest rate that is paid on security deposits to match the amount provided for by the deposit index as set by the state and to allowing housing authorities to hold security deposits on elderly and disabled residents beyond one year as current law presently restricts and to set the interest rate on these security deposits to be equal to the deposit index as set by the state and not 5 ¼% as presently required by CGS 47a-22a.

SB 1076

Conn-NAHRO opposes SB 1076 as written. Conn-NAHRO does not oppose a bill that would allow for resident associations to have an ongoing ability to participate in the planning and implementation of the revitalization of a public housing property. However we have technical concerns with this bill as it is written that we fear could have a chilling effect on tax credit investors and other investors that could play pivotal positions in the preservation of our low income housing. Presently under 8-64a there are some requirements similar to the intent of this bill and perhaps enhancing these requirements might be a better solution then creating a shole new process.

This bill needs to better clarify the details of a binding memorandum of agreement (MOA), failure to do so could lead to prolonged delays in negotiating the content of the MOA that could significantly harm the ability of a property to effectively compete for funding to revitalize.

Section C requires DECD or CHFA to make an express finding of compliance with the act or they must withhold funding. The severity of this clause alone requires SB 1076 to more clearly identify the threshold requirements for compliance.

We believe the definitions need to be reviewed to identify if they are reasonable based upon some existing models or data that justifies the thresholds.

In closing we would extend an offer to work with the committee in developing a proposal that balances tenant input with investor concerns for all funding sources including tax credit, private debt service, federal and state funds.

HB 6052

Conn-NAHRO strongly opposes HB 6052 and its requirement that all substantially rehabilitated units set aside 10 percent of their units for the chronically homeless. The concept of helping one important cause, supportive housing, at the loss to another precious resource low income housing is unacceptable. The state has already determined that it does not have enough affordable housing and removing 10% of its affordable housing stock to fix another problem in the state only exacerbates the lack of affordable housing issue.

This set aside could also displace existing residents from their homes once the substantial rehabilitation was completed and 10% of the units had to be set aside for the chronically homeless, then 10% of the existing residents would be involuntarily displaced. This proposal also raises the question of would this be considered one for one replacement if 10 percent of the units were moved to serve another program?

While we oppose this bill as written Conn-NAHRO supports the need for additional supportive housing, just not at the expense of existing affordable housing.

SB 1075

Conn-NAHRO's position on the SB 1075 is that our membership would like to see any regulations mirror those of the existing federal requirements so we administer one grievance procedure for all properties and not distinctly different grievance procedures.